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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/707,603	11/07/2000	Thilo Gabler	41023/FLC/W391	9655

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CHRISTIE, PARKER & HALE, LLP  
350 WEST COLORADO BOULEVARD  
SUITE 500  
PASADENA, CA 91105

EXAMINER

LASTRA, DANIEL

ART UNIT

PAPER NUMBER

3622

DATE MAILED: 07/31/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

09/707,603

Applicant(s)

GABLER, THILO

Examiner

DANIEL LASTRA

Art Unit

3622

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 23 July 2002.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-25 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-25 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on \_\_\_\_\_ is: a) ☐ approved b) ☐ disapproved by the Examiner.  
If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

**Priority under 35 U.S.C. §§ 119 and 120**

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) ☐ All b) ☐ Some \* c) ☐ None of:  
1. ☐ Certified copies of the priority documents have been received.  
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.  
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).  
\* See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).  
a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892)                      4) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)                      5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s) 5 .                      6) ☐ Other: \_\_\_\_\_

1. Claims 1-25 have been examined.

***Claim Rejections - 35 USC § 101***

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-13 and 21-23 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Claims are not within the technological arts.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable

subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art"

because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, *State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a

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§101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

*EW*  
In the present application, independent claims 1, 7 and 13 recite a "useful, concrete and tangible result" (selecting advertising content based on the viewer profile), however the claims recite no structural limitations (i.e., computer implementation), and so they fail the first prong of the test (technological arts). Dependent claims 2-6, 8-12 and 21-23 do not remedy this situation as no structural limitations are recited.

***Claim Rejections - 35 USC § 103***

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-25 are rejected under 35 U.S.C. 103(a) as being unpatentable over Herz et al (U.S. 5,835,087) in view of Reiter (U.S. 6,178,411).

As per claim 1, Herz et al teach:

A method for incentive advertising, comprising:

receiving a viewer profile, the viewer profile including a viewer identification (see column 5, line 35 – column 7, line 10; column 31, line 23 – column 33, line 60);

selecting advertising content based on the viewer profile (see column 40, lines 5-60; column 46, lines 5-28);

sending the advertisement content for display to the viewer (see column 45, line 47 – column 46, line 28); and

Herz fails to teach recording the viewer identification for awarding an advertising incentive. However, Reiter teaches a system that every time a promotional message is sent the system can track who saw it, when they saw it, and give the user the opportunity to purchase the product, or obtain additional information, to indicate the success of a given advertisement, for example through the use of coded coupons or sweepstakes (see column 18, lines 31-39). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that Herz would record the viewer identification and would award sweepstakes tickets as an incentive to read the advertisement, as taught by Reiter. Awarding advertising incentive would increase the probability that the advertisement would reach the intended target.

As per claim 2, Herz et al fail to teach, the method of Claim 1, wherein the advertising incentive is an entry into a game of chance. However, Reiter teaches a system that every time a promotional message is sent the system can track who saw it, when they saw it, and give the user the opportunity to purchase the product, or obtain additional information, to indicate the success of a given advertisement, for example through the use of coded coupons or sweepstakes (see column 18, lines 31-39). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that Herz would record the viewer identification and would award sweepstakes tickets as an incentive to read the advertisement, as taught by Reiter. Awarding advertising incentive would increase the probability that the advertisement would reach the intended target.

As per claim 3, Herz et al teach:

The method of Claim 1, wherein:

the viewer profile further includes advertising content viewing preferences of the viewer (see column 5, line 20 – column 7, line 10); and

selecting the advertising content is based on the advertising content viewing preferences of the viewer (see column 11, lines 1-35; column 31, line 35 – column 33, line 60; column 40, line 5-60).

As per claim 4, Herz et al teach:

The method of Claim 1, wherein:

the viewer profile further includes a physical location of the viewer (see column 11, lines 11-35); and

selecting the advertising content is based on the physical location of the viewer (see column 11, lines 11-35; column 5, line 35 – column 7, line 10).

As per claim 5, Herz et al teach:

The method of Claim 1, wherein:

the viewer profile further includes a language preference (see column 10, line 57 – column 11, line 34); and

selecting the advertising content is based on the language preference of the viewer (see column 5, line 35 – column 7, line 10).

As per claim 6, Herz et al teach:

The method of Claim 1, the method further comprising:



receiving a desired viewer profile from an advertiser (see column 5, line 35 – column 9, line 60; column 31, line 24 – column 33, line 60; column 45, line 47 – column 47, line 5);

linking the desired viewer profile to a particular advertising content (see column 5, line 35 – column 9, line 60; column 31, line 24 – column 33, line 60; column 45, line 47 – column 47, line 5); and

selecting the particular advertising content to send to the viewer upon matching the viewer profile to the desired viewer profile (see column 5, line 35 – column 9, line 60; column 31, line 24 – column 33, line 60; column 45, line 47 – column 47, line 5).

Claims 7-12 contain the same limitations as claims 1-6 therefore the same rejection is applied.

Claim 13 contains the same limitations as claims 1-6 therefore the same rejection is applied.

Claims 14-19 contain the same limitations as claims 1-6 therefore the same rejection is applied.

Claim 20 contains the same limitations as claims 1-6 therefore the same rejection is applied.

As per claim 21, Herz et al teach:

The method of claim 1, wherein selecting advertising content further includes selecting advertising content based on a premium paid by an advertiser (see column 40, lines 5-60).

Claim 22 contains the same limitations as claims 1 and 21 therefore the same rejection is applied.

Claim 23 contains the same limitations as claims 1-6 and 21 therefore the same rejection is applied.

Claim 24 contains the same limitations as claims 1 and 21 therefore the same rejection is applied.

Claim 25 contains the same limitations as claims 1-6 and 21 therefore the same rejection is applied.

**Conclusion**

4. Any inquiry concerning this communication or earlier communications from the examiner should be directed to DANIEL LASTRA whose telephone number is 703-306-5933. The examiner can normally be reached on 9:30-6:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, ERIC W STAMBER can be reached on 703-305-8469. The fax phone numbers for the organization where this application or proceeding is assigned are 703-305-7687 for regular communications and 703-872-9327 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

D.L.

Daniel Lastra  
July 25, 2003



ERIC W. STAMBER  
SUPERVISORY PATENT EXAMINER  
TECHNOLOGY CENTER 3600